



## **The Employment Situation: March, 2009**

### **April 3, 2009**

Congresswoman Carolyn Maloney, Chair of the Joint Economic Committee began this month's hearing on employment numbers by noting that even though there have been some glimmers of positive economic news in recent weeks, the outlook for the labor market remains bleak. "In each of the last five months, employers have slashed about 600,000 or more jobs – staggering job losses totaling more than 5 million since the start of the recession. "

She also pointed out that the effects of this recession were being broadly felt: "For the first time in at least 30 years, every state in the nation is in recession."

Bureau of Labor Statistics Commissioner Keith Hall then laid out the latest bad news in detail. "Labor market conditions continued to deteriorate in March. Total nonfarm payroll employment decreased by 663,000, and the unemployment rate increased from 8.1 to 8.5 percent."

In painting the big picture, Hall reported that since the recession in December of 2007, unemployment has surged by 5.6 million. The total number of unemployed persons now stands at 13.2 million. Job losses continue to be felt across all sectors of the economy, but there have been some very modest gains in healthcare jobs.

There were two areas of this grim report that were particularly troubling: the long term unemployed and minorities.

The number of individuals experiencing long term spells of joblessness rose to 3.2 million and nearly one in four of the unemployed has been jobless for 27 weeks or more. Normal state unemployment benefits provide for only 26 weeks of assistance. As the Chairwoman noted, "This type of long term unemployment is straining families and forcing them to take on more debt as the financial pressure of making ends meet mounts."

And, as is typical, this recession is hitting minorities the hardest. While the unemployment rate among whites is 7.9 percent, among Hispanics it is 11.4 percent and among African Americans it is 13.3 percent.

Hoping to find some nugget of good news buried someplace in the avalanche of numbers, Congresswoman Maloney asked Commissioner Hall: "are there any bright spots in this month's jobs report?" The Commissioner, somewhat reluctantly, said: "to be honest, no."

Chairwoman Maloney asked about how women were doing in job market. Commissioner Hall noted that historically, women had suffered fewer job losses than men in recessions, but that this recession was a bit different and that last five months 30 percent of the job losses fell on women, higher than the previous recession when women lost 25 percent of the jobs at the peak of the recession.

Asked about the rather sudden acceleration in the job loss numbers five months ago, the Commissioner noted that a dramatic increase in monthly job losses coincided with the credit freeze last fall. Monthly job losses accelerated from 150,000 per month to over 600,000 per month.

Along with these latest job loss numbers, in separate news it was being reported that currently one American in ten was now on food stamps. Congresswoman Maloney pointed out that it was truly fortunate that the recent stimulus bill contained an increase in food stamp assistance, and a tax cut for the middle class, as millions continue to suffer in the 15<sup>th</sup> month of a recession.